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SYNOPSIS

INFORMATION SEARCH BEHAVIOUR AMONG NEW CAR BUYERS: A TWO-STEP CLUSTER ANALYSIS

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With consumers adopting different search strategies, identifying the patterns of their information search behaviour has become a challenge. The allocation of resources across different sources of information depends on the understanding of the patterns of information search behaviour. This article discusses the findings of a two-step cluster analysis of new car buyers in India, which was performed to identify consumer taxonomies of external pre-purchase information search behaviour. Personality traits have been used for the first time to explain the differences in search strategies across different groups of consumers. Two-step cluster analysis was used to simultaneously identify the distinct segments of new car buyers, and the relative importance of significant variables

in differentiating the segments. Distinct patterns of information search behaviour were found across four distinct groups—broad moderate searchers, intense heavy searchers, low broad searchers, and low searchers. An examination of the correlates of search groups indicates the importance of personality variables along with different dimensions of search activities in significantly differentiating the consumers into distinct groups based on their external pre-purchase information search behaviour. Personality variables like shopping enjoyment, perceived behavioural control, subjective knowledge, optimum stimulation level, need for cognition and technology readiness were found to be significantly

different across different segments and differentiated the segments. This is a first of its kind study in India, where an attempt has been made to identify distinct segments of new car buyers based on their information search behaviour. The findings are consistent with the findings of studies conducted in the West, and demonstrate the effectiveness of the two-step clustering procedure in identifying the distinct segments of consumers simultaneously and the relative importance of the variables in differentiating the segments. Managers could avail of these findings to tailor their communication strategies according to the targeted segment.
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ATTRIBUTE SELECTION IN MARKETING: A ROUGH SET APPROACH

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A major challenge for today's managers who operate in a technology enabled environment is to convert the large amount of data available into knowledge, and to use this knowledge to make informed and effective business decisions. Though present technologies help in marketing decisions by creating large marketing databases, most of the information may not be relevant. Attribute reduction to eliminate superfluous or redundant data becomes an important aspect in the handling of large databases, and this calls for tools that are capable of distinguishing the various properties of the data generated. Using an illustrative case study on the Indian cosmetic industry, this paper illustrates the

advantages of the rough set approach (RSA) over conventional techniques for the extraction of decision rules from data sets, which can be useful in various marketing applications. The rule generated through the methodology can act as an 'expert', which may be referred to in future strategic decision-making. This could be done using a plug-and-play software, where the attributes are plugged in through a simulated exercise to see 'what if' scenarios in order to take business decisions. RSA involves pattern recognition through logical computational rules rather than approximation through smooth mathematical functional forms.

Statistical methods such as discriminant analysis and regression analysis make certain assumptions regarding the mathematical or statistical properties of the data whose quality is often suspect. This paper demonstrates that almost similar accuracy can be achieved without making any mathematical or statistical assumptions regarding the data, even when the quality of data is suspect, with reliability only in the ranking of observations and not in the actual magnitudes. The findings of this study indicate that for the Indian cosmetics industry, the distribution, research and development, and miscellaneous expenditure attributes play an important role.
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